



COMMUNITY DEVELOPMENT COMMISSION

County of Los Angeles

2 Coral Circle • Monterey Park, CA 91755

323.890.7001 • www.lacdc.org

Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson

Executive Director

November 16, 2004

Honorable Board of Commissioners
Community Development Commission
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

**APPROVE TRANSFER OF A COMMISSION-OWNED SITE IN THE CITY OF
PALMDALE TO THE PALMDALE COMMUNITY REDEVELOPMENT AGENCY
FOR DEVELOPMENT OF AFFORDABLE SENIOR HOUSING (5)
(3 Vote)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that disposition of the Community Development Commission-owned property located at the northeast corner of Avenue R and 27th Street East in the City of Palmdale is exempt from the California Environmental Quality Act (CEQA), as described herein, because the proposed action will not have the potential for causing a significant effect on the environment.
2. Approve a Property Transfer Agreement (Agreement), presented in substantially final form, to transfer the subject property to the City of Palmdale Community Redevelopment Agency, for the amount of \$1.00.
3. Authorize the Executive Director of the Commission to negotiate and execute all necessary documents for the transfer of the subject property, as described herein, to be effective following approval as to form by County Counsel and execution by all parties.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to authorize the transfer of Commission-owned property, located in the City of Palmdale, to the City of Palmdale Community Redevelopment Agency, for development of affordable senior housing.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The Commission will transfer the subject property to the City of Palmdale Community Redevelopment Agency for the amount of \$1.00. The City of Palmdale Community Redevelopment Agency will pay all costs and expenses related to the property transfer.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On August 11, 1987, the Commission purchased the subject property for \$160,000, using Community Development Block Grant (CDBG) funds, with the intent of developing affordable housing. Since that time the property has been annexed to the City of Palmdale, and is now located within the City's redevelopment area. The Commission believes the City of Palmdale can best develop the site, and wishes to transfer it to the City's Redevelopment Agency for development of affordable senior housing, under the terms and conditions as described below.

The subject property is a vacant 192,535 square-foot lot, located at the northeast corner of Avenue R and 27th Street East in the City of Palmdale (as described in Exhibit A to the Agreement). The City of Palmdale Community Redevelopment Agency will enter into a development agreement for the property within three years of the date of execution of the attached Agreement, providing for development of affordable senior housing on the site. This housing will be reserved for seniors ages 55 and older, with at least 51 percent of the units reserved for households whose incomes do not exceed 50 percent of the Area Median Income (AMI) ("very low-income units"), with the remaining units reserved for households whose incomes do not exceed 80 percent of the AMI ("low-income units") for the Los Angeles-Long Beach Metropolitan Statistical Area, as defined by the U.S. Department of Housing and Urban Development (HUD) adjusted for family size. The housing will remain affordable for 30 years.

On November 8, 2004, the City of Palmdale Community Redevelopment Agency approved the Agreement.

ENVIRONMENTAL DOCUMENTATION:

This property transfer is categorically excluded from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations Part 58, Section 58.34 (a)(5) because it involves disposition of property, an action that, in and of

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itself, will not have a physical impact or result in any physical changes to the environment. It is exempt from the provisions of CEQA pursuant to State CEQA Guidelines 15061 (b)(3) because the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. It is expected that the City of Palmdale will conduct the appropriate CEQA and/or NEPA clearance once the project scope for senior housing on the site has been clearly defined.

IMPACT ON CURRENT SERVICES:

Transfer of the subject property to the City of Palmdale Community Redevelopment Agency will allow for the construction of affordable senior housing in the City of Palmdale.

Respectfully submitted,

CARLOS JACKSON

Executive Director

Attachment: 1

PROPERTY TRANSFER AGREEMENT

THIS AGREEMENT is made and entered into as of the _____ day of _____ 2004, by and between COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES, a public body, corporate and politic (Commission) and the CITY OF PALMDALE COMMUNITY REDEVELOPMENT AGENCY, a public body, corporate and politic (CRA). Based upon the mutual consideration provided for herein, the CRA and the Commission agree as follows:

1. Recitals. This Agreement is made with respect to the following facts which each party agrees are true and correct:

- a) Commission is the owner of certain real property described in the attached Exhibit A and located at the northeast corner of Avenue R and 27th Street East, in the City of Palmdale. All improvements located thereon, and all rights, privileges, easements and appurtenances attached thereto are hereinafter referred to as "the Property".
- b) Commission desires to convey the Property to the CRA for one dollar (\$1.00), and CRA desires to accept the conveyance of Property from Commission, for the consideration and on the terms and conditions hereinafter set forth.

2. Costs. All costs and expenses related to this transaction shall be paid by the CRA, including but not limited to, the cost of a title insurance policy, if any, and all documentary transfer taxes and document drafting, recording and miscellaneous charges and fees.

3. Conveyance. Commission shall convey the Property to CRA by Quitclaim Deed (Deed), attached as Exhibit B, subject to: a) all taxes, interest, penalties and assessments of record assessed but not yet due, if any; b) covenants, conditions, restrictions, reservations, easements, rights, and rights-of-way of record, if any; c) any other encumbrance or interest in the Property, recorded or unrecorded, if any; and d) approval by the Commission's Board of Commissioners and the City of Palmdale Community Redevelopment Agency.

4. Use Restriction. The Property is being conveyed subject to the CRA's covenant and agreement to develop the Property, or any portion thereof, in accordance with the Community Development Block Grant program as promulgated by the United States Department of Housing and Urban Department (HUD) and as set forth in 24 CFR 570.208(a)(3), and the development will provide at least fifty-one percent (51%) of the units be occupied by households whose incomes do not exceed fifty percent (50%) of the area median income (AMI) ("very low-income units"), and the remaining units that are not very low-income units shall be occupied by households whose incomes do not exceed eighty percent (80%) of AMI ("low-income units"), for the Los Angeles-Long Beach Metropolitan Statistical Area (MSA), adjusted for family size, as defined by HUD, at affordable rents which result in monthly payments which, including a reasonable utility allowance, do not

exceed thirty percent (30%) times fifty percent (50%) of AMI for the very low-income units, and thirty percent (30%) times eighty percent (80%) of AMI for the low-income units..

The CRA shall enter into a development agreement for the construction of a senior housing development on the Property, within three (3) years from the date of this Agreement, and further agrees that construction shall commence within five (5) years from the date of this Agreement. The development shall conform to the requirements for a senior citizen housing development, reserved for seniors ages 55 and older, as set forth in California Civil Code Sections 51.2 and 51.3.

5. Remedies. In the event of any breach of any covenants contained in this Agreement, the Commission, its successors and assigns, shall have the right to exercise all of the rights and remedies, and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach. The covenants contained in this Agreement shall be for the benefit of and shall be enforceable only by the Commission, its successors and assigns.

6. Recording. The Deed shall vest title to the Property in the name of the CRA as follows: City of Palmdale Community Redevelopment Agency.

Commission shall transmit to CRA a copy of the Deed stamped by the Recorder, the original of which shall be mailed to the CRA by the Recorder at the following address:

City of Palmdale
Community Redevelopment Agency
38250 Sierra Highway
Palmdale, CA 93550
Attention: M. Adams

7. Condition of the Property. CRA acknowledges that Commission is transferring the Property "as-is" with all defects of any kind solely in reliance on CRA's own investigation, and that no representations or warranties of any kind whatsoever, express or implied, have been made by the Commission. CRA has been given the full opportunity to inspect the Property prior to execution of this Agreement.

8. Possession/Risk of Loss. All risk of loss or damage with respect to the Property shall pass from Commission to CRA upon recordation of the Deed.

9. Conflicts. In the event of a conflict between the provisions of this Agreement and the provisions of any other documents executed or purported to be executed between the parties prior to the date hereto, the provisions contained in this Agreement shall in all instances govern and prevail.

10. Notices. All notices, demands, requests and notices under this Agreement by either party shall be hand-delivered or sent by United States Mail, registered or certified postage prepaid and addressed to the parties as follows:

Commission: Community Development Commission of the
County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755
Attention: Director, Housing Development and Preservation

CRA: City of Palmdale
Community Redevelopment Agency
38250 Sierra Highway
Palmdale, CA 93550
Attention: M. Adams

Notices, demands and requests served in the above manner shall be considered sufficiently given or served for all purposes under this Agreement at the time the notice, demand or request is hand-delivered or postmarked to the addresses shown above.

11. Time is of the Essence. Time is of the essence for each and every term, condition, covenant, obligation and provision of this Agreement.

12. Severability. In the event any portion of this Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal, or unenforceable, such portion shall be severed from the Agreement, and the remaining parts hereof shall remain in full force and effect as fully as though such invalid, illegal, or unenforceable portion had never been part of the Agreement, provided the remaining Agreement can be reasonably and equitably enforced.

13. Binding on Successors. Subject to the limitations set forth herein, the Agreement shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto.

14. Required Actions of Commission and CRA. Commission, with the approval of the Commission's Board of Commissioners, and CRA, with the approval of City of Palmdale's Community Redevelopment Agency, agree to execute all such instruments and documents and to take all actions as may be required in order to consummate the transfer of Property herein contemplated.

15. Compliance With Laws. CRA and any successor shall comply with all Applicable Governmental Restrictions. As used herein, "**Applicable Governmental Restrictions**" shall mean and include any and all laws, statutes, ordinances, codes, rules, regulations, directives, writs, injunctions, orders, decrees, rulings, conditions of approval, or authorizations, now in force or which may hereafter be in force, of any governmental entity,

agency or political subdivision as they pertain to the performance of this Agreement or development or operation of the Property, including specifically but without limitation all code and other requirements of the jurisdiction in which the Property is located; the National Environmental Policy Act of 1969, as amended; California Environmental Quality Act; Community Development Block Grant Program (24 CFR 570); Civil Rights Act of 1964 Title VI; Section 109 of the Housing and Community Development Act of 1974; Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973; Executive Orders 11246 and 11375, Equal Opportunity in Employment; Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87; Fair Housing Act; Executive Orders 11063 and 12259; Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970; Lead-Based Poisoning Prevention Act; California Drug-Free Workplace Act of 1990 and any other applicable federal, state and local laws. CRA and any successor shall indemnify, defend and hold harmless for any suit, cost, attorneys' fees, claim, administrative proceeding, damage, wage award, fine, penalty or liability arising out of or relating to the failure of CRA or any successor to comply with any Applicable Governmental Restrictions, including, without limitation, the nonpayment of any prevailing wages required to be paid in connection with the Property. CRA is solely responsible for determining the applicability of laws, and should not rely on statements by the Commission.

16. Entire Agreement. This Agreement contains the entire agreement between the parties herein, and no addition or modification of any terms or provisions shall be effective unless set forth in writing, signed by both Commission and CRA.

IN WITNESS HEREOF, the parties have executed this Agreement as of the day and year first written above.

COMMUNITY DEVELOPMENT COMMISSION
OF THE COUNTY OF LOS ANGELES

By: _____
CARLOS JACKSON, Executive Director

APPROVED AS TO FORM:

OFFICE OF THE COUNTY COUNSEL

By: _____
Deputy

Upon approval of this Agreement, a signed copy will be mailed to the County of Los Angeles.

CITY OF PALMDALE COMMUNITY
REDEVELOPMENT AGENCY

By: _____

ATTEST:

OFFICE OF THE CITY ATTORNEY

By: _____

EXHIBIT A
LEGAL DESCRIPTION

THE LAND REFERRED TO IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, AND IS DESCRIBED AS FOLLOWS:

THE WEST HALF OF LOTS 15 AND 16, SECTION 30, TOWNSHIP 6 NORTH, RANGE 11 WEST, PALMDALE COLONY CO., IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 52 PAGE 71 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE REGISTRAR-RECORDER OF SAID COUNTY.

EXCEPTING ALL RIGHT, TITLE AND INTEREST OF THE COUNTY OF LOS ANGELES IN AND TO THAT PORTION THEREOF WHICH LIES SOUTHERLY OF A LINE PARALLEL WITH AND 40 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THAT CERTAIN COURSE OF NORTH 89 ° 57' 35" EAST 635.49 FEET IN THE CENTER LINE OF AVENUE R, AS SHOWN ON SAID MAP OF TRACT NO. 30745, FILED IN BOOK 787 PAGES 49 AND 50 OF MAPS, IN THE OFFICE OF SAID REGISTRAR-RECORDER.

ALSO EXCEPTING TO THE COUNTY OF LOS ANGELES ALL OIL, GAS, HYDROCARBONS OR OTHER MINERALS IN AND UNDER THE ABOVE DESCRIBED REAL PROPERTY, WITHOUT THE RIGHT TO USE OF THE SURFACE OR SUBSURFACE TO A DEPTH OF 500 FEET, MEASURED VERTICALLY FROM THE SURFACE OF SAID REAL PROPERTY, AS EXCEPTED IN THE DEED RECORDED MARCH 16, 1988 AS INSTRUMENT NO. 88-356875, OFFICIAL RECORDS.

Commonly known as: NE Corner of Avenue R and 27th Street East, Palmdale, CA

EXHIBIT B

This document is exempt from Documentary Transfer Tax pursuant to Section 11922 of the Revenue and Taxation Code.

Recording Requested by:

Community Development Commission
of the County of Los Angeles

After Recordation, Mail to:

City of Palmdale
Community Redevelopment Agency
38250 Sierra Highway
Palmdale, CA 93550

Assessor Parcel No : 3018-027-900

QUITCLAIM DEED

For valuable consideration, the receipt of which is hereby acknowledged,

The COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES, a public body, corporate and politic, of the State of California (herein called "Grantor"), hereby grants to the CITY OF PALMDALE COMMUNITY REDEVELOPMENT AGENCY, a public body, corporate and politic (herein called "Grantee"), the real property (the "Site") legally described in the document attached hereto, labeled Exhibit A, and incorporated herein by this reference.

1. The Grantee covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Site or any part thereof, that the Grantee, its successors and assigns, shall maintain the Site and shall keep the Site free from any accumulation of debris or waste materials prior to the Grantee entering into an agreement for the development of multifamily rental housing reserved for lower-income seniors on the Site.
2. The Grantor shall have the right, at its option, to reenter and take possession of the Site hereby conveyed and revert in the Grantor the estate conveyed to the Grantee, if, after conveyance of title, the Grantee or any successor in interest shall fail to:
 - a. Enter into a development agreement for the construction of a senior housing development on the Site within three (3) years from the date of this Quitclaim Deed. The site shall be developed in conformance with the Community Development Block Grant program as promulgated by the United States Department of Housing and Urban Department (HUD) and as set forth in 24 CFR 570.208(a)(3), and the development will provide at least fifty-one percent (51%) of the units be occupied by households whose incomes do not exceed fifty percent (50%) of the area median income (AMI) ("very low-income units"), and the remaining units that are not very low-income units occupied by households whose incomes do not exceed eighty percent (80%)

AMI ("low-income units"), for the Los Angeles-Long Beach Metropolitan Statistical Area (MSA), as defined by HUD, at affordable rents which result in monthly payments which, including a reasonable utility allowance, do not exceed thirty percent (30%) times fifty percent (50%) of AMI, adjusted for family size, for the very low-income units; and thirty percent (30%) times eighty percent (80%) for the low-income units. The development shall also conform to the requirements for a senior housing development, reserved for seniors ages 55 and older, as set forth in California Civil Code Sections 51.2 and 51.3; or

b. Commence construction of the senior housing development within five (5) years from the date of this Quitclaim Deed.

3. In the event of any breach of any covenants contained in this Quitclaim Deed, the Grantor, its successors and assigns, shall have the right to exercise all of the rights and remedies, and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach. The covenants contained in this Quitclaim Deed shall be for the benefit of and shall be enforceable only by the Grantor, its successors and assigns.

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers thereunto duly authorized this _____ day of _____ 2004.

The provisions of this Quitclaim Deed are hereby approved and accepted.

GRANTOR:

COMMUNITY DEVELOPMENT COMMISSION
OF THE COUNTY OF LOS ANGELES

APPROVED AS TO FORM:

OFFICE OF THE COUNTY COUNSEL

By _____
CARLOS JACKSON, Executive Director

By _____
Deputy

GRANTEE:

CITY OF PALMDALE COMMUNITY
REDEVELOPMENT AGENCY

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY

By _____

By _____

State of California
County of Los Angeles

On _____, before me, _____, personally

appeared, _____
personally known to me (or proved to me on the basis of satisfactory evidence) to be
the person whose name is subscribed to the within instrument and acknowledged to me
that he/she executed the same in his/her authorized capacity, and that by his/her
signature on the instrument the person, or the entity upon behalf of which the person
acted, executed the instrument.

WITNESS my hand and official seal.

(SEAL)
Notary Signature

State of California
County of Los Angeles

On _____, before me, _____, personally

appeared, _____
personally known to me (or proved to me on the basis of satisfactory evidence) to be
the person whose name is subscribed to the within instrument and acknowledged to me
that he/she executed the same in his/her authorized capacity, and that by his/her
signature on the instrument the person, or the entity upon behalf of which the person
acted, executed the instrument.

WITNESS my hand and official seal.

(SEAL)
Notary Signature